March 1, 1999

Private and Public Capital Expenditures

— 1999 Intentions —

Northwest Territories and Nunavut

Statistics Canada has released private and public capital expenditure data for Canada the provinces and territories, providing 1997 actual, 1998 preliminary actual and 1999 intentions. Capital expenditure intentions for 1999 for the Northwest Territories and Nunavut are estimated at $571.8 million, representing a decrease of 24.8 percent compared to the 1998 preliminary estimate of $759.9 million. However, investment intentions for 1999 remain well above the average investment recorded between 1991 and 1996 (see attached chart).

The 24.8 percent decrease in capital expenditures for 1999 is well below the Canadian average increase of 0.2 percent. In percentage terms, this decrease in capital expenditures for the Northwest Territories and Nunavut is the largest observed among the provinces and territories. Saskatchewan (-13.0%) and British Columbia (-4.4%) also expect declines in capital expenditures in 1999, while New Brunswick (23.0%) and Newfoundland (19.8) expect the largest growth.

Table 1 Capital Expenditures
Canada, Provinces and Territories

	1999 Intentions	1998 Preliminary Actual	1997 Actual	1996 Actual
		($ million)		
Canada	161,577.5	161,327.1	157,449.5	137,712.0
NWT & Nunavut	571.8	759.9	656.7	382.8
Yukon	240.4	217.6	235.5	202.1
British Columbia	18,177.9	19,015.0	20,736.4	19,309.7
Alberta	27,656.6	28,442.7	27,359.9	20,960.2
Saskatchewan	5,690.5	6,544.4	7,083.5	5,407.7
Manitoba	4,621.6	5,097.2	4,618.8	4,098.4
Ontario	61,322.1	59,458.7	58,132.6	51,997.5
Quebec	31,592.9	31,107.6	28,831.7	26,771.4
New Brunswick	3,482.5	2,832.0	2,657.5	2,717.1
Nova Scotia	4,531.7	4,688.5	3,992.3	3,058.8
Prince Edward Island	437.3	448.7	490.3	493.6
Newfoundland	3,252.1	2,714.8	2,654.4	2,312.7

Additional data are available from *T-stat*, the territorial government's on-line statistical retrieval system.

Future releases: Data for 1999 revised intentions should be available towards the end of July 1999.

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The intended 24.8% decrease in territorial capital expenditures for 1999 is largely a result of a significant decrease in private capital expenditure intentions. While public expenditure intentions are set to increase by 2.8% in 1999, private intentions show a sharp decline of 33.2%. This decline in private intentions is almost exclusively attributable to the mining industry, which accounts for a $224 million reduction investment in 1999. Primarily, the completion of construction at BHP's Ekati Diamond mine is responsible for the investment decline in the mining sector. To a lesser extent, the sharp decline in base metal prices, particularly gold prices, has also impacted investment in the mining sector.

Table 2 Capital Expenditures , by Category (Private and Public)
Northwest Territories and Nunavut

	1999 Intentions	1998 Preliminary Actual	1997 Actual	1996 Actual
			($ million)	
Total Capital Expenditures	571.8	759.9	656.7	382.8
Construction	460.7	592.2	553.7	279.3
Machinery & equipment	111.1	167.7	103.0	103.5
Private	388.3	581.4	500.9	193.0
Construction	317.4	451.1	426.3	134.2
Machinery & equipment	70.9	130.2	74.7	58.8
Public	183.5	178.5	155.7	189.7
Construction	143.3	141.1	127.5	145.1
Machinery & equipment	40.2	37.5	28.3	44.7
Selected Industries:				
Fishing and Trapping	0.8	0.8	0.8	0.9
Mining, Quarrying, and Oil Wells	201.2	425.2	362.2	67.6
Manufacturing	1.0	0.8	0.7	1.9
Construction	7.3	10.1	9.2	4.4
Transportation and Storage	18.6	19.0	13.6	20.2
Communication and Other Utilities	74.4	64.7	49.5	65.6
Wholesale Trade	1.6	3.0	4.1	4.2
Retail Trade	11.2	7.7	5.6	19.2
Real Estate Operator and Insurance	...	17.8	7.4	3.2
Government Services	107.5	112.4	90.7	102.7
Health and Social Services	9.8	9.7	7.1	...
Accommodation, Food, and Beverage Services	3.2	0.7	1.9	3.0
Housing	47.1	42.8	49.5	38.5

Note: Public includes government departments, crown corporations, education, and health & social services.